

# Industry Circular



## Internal Revenue Service

Alcohol and Tobacco Tax Division  
Washington, D.C. 20224

August 5, 1968

Industry Circular No. 68-24

### AMENDMENTS OF REGULATIONS IN 26 CFR PART 270

#### Manufacturers of tobacco products:

This industry circular is to advise you of the issuance of Treasury Decision 6961 (33 F.R. 9487), as it relates to amendments of regulations in 26 CFR Part 270, "Manufacture of Cigars and Cigarettes." We will furnish you revised pages of Part 270 for replacement of the pages with the same numbers in the looseleaf copy previously furnished you in connection with Industry Circulars 65-35 and 67-13, as soon as they are printed.

The Treasury decision includes changes implementing Section 4 of Public Law 90-240, effective April 1, 1968, which amended Section 5701(a) of the Internal Revenue Code relating to the tax on large cigars. The effect of this law was explained in detail in Industry Circular No. 68-1, dated January 16, 1968. Clarifying and liberalizing amendments were also made.

#### The changes made in Part 270 are as follows:

(a) Section 270.22 relating to classification of large cigars was amended to provide, as a general rule, for rounding fractional-cent State and local taxes to be excluded from the retail price in computing the Federal tax on large cigars, to make the regulations consistent with the Internal Revenue Code as amended by Public Law 90-240.

(b) Section 270.44 was amended to clarify the marking requirements upon sale of forfeited, condemned, or abandoned cigars and cigarettes packaged under Parts 290 and 295.

(c) Section 270.131 was amended to include provisions previously in Subpart D of 26 CFR Part 296 relating to the filing of powers of attorney by corporate sureties.

(d) Section 270.165 was amended to make it consistent with Section 7503 of the Internal Revenue Code, which provides that if the last day for filing returns falls on a Saturday, Sunday, or legal holiday, the return is considered timely if filed on the next day which is not a Saturday, Sunday, or legal holiday.

(e) Sections 270.282, 270.283, 270.284, and 270.287 were amended to require claims filed on Form 2635 in duplicate rather than in triplicate.

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